

TelSave Corporation d/b/a Independent
Network Services

TelSave Corporation d/b/a Independent Network Services

TelSave Corporation
d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004
Telephone: (602) 248-8495
Facsimile: (602) 248-3122

RATES, RULES and REGULATIONS for FURNISHING

RESALE TELECOMMUNICATIONS SERVICES

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

Filed with the

PUBLIC SERVICE COMMISSION OF KENTUCKY

NOV 9 1996

PURSUANT TO 1997 KAR 5.011,
SECTION 9 (1)

BY: *[Signature]*
DIRECTOR, RATES & RESEARCH DIV.

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of service and facilities for resale telecommunication services provided by TelSave Corporation d/b/a Independent Network Services between points within the Commonwealth of Kentucky.

Issued: October 2, 1996

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TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004

CHECK SHEET

The pages of this tariff, as listed below, are effective as of the date shown. Revised sheets contain all changes from the original tariff that are in effect as of the date indicated.

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PURSUANT TO KY KAR 5.011,
SECTION 1

BY *Patricia Hester*
DIRECTOR, RATES & RESEARCH DIV.

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TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004

OTHER CARRIERS

None

CONCURRING CARRIERS

None

CONNECTING CARRIERS

None

OTHER PARTICIPATING CARRIERS

None

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BY *Allyle Sherrin*
DIRECTOR, RATES & RESEARCH DIV.

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TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004

EXPLANATION OF SYMBOLS AND ABBREVIATIONS

SYMBOLS

- (C) To signify changed listing, rule, or condition which may affect rates or charges.
- (D) To signify discontinued material, including listing, rate, rule, or condition.
- (I) To signify an increase.
- (M) To signify material relocated from or to another part of tariff schedule with no change in text, rate, rule or condition.
- (N) To signify new material including listing, rate, rule or condition.
- (R) To signify reduction.
- (S) To signify reissued material.
- (T) To signify change in wording of text but not change in rate, rule, or condition.

ABBREVIATIONS

- TSIN - TelSave Corporation d/b/a Independent Network Services
- LEC - Local Exchange Company
- MTS - Measured Toll Service
- PBX - Private Branch Exchange

PUBLIC SERVICE COMMISSION
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BY Phillip Lewis
DIRECTOR/RATES & RESEARCH DIV.

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TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004

TARIFF FORMAT

- A. Sheet Numbering** - Sheet numbers appear in the upper right corner of the page. Sheets are numbered sequentially. When a new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between sheets 14 and 15 would be 14.1.
- B. Sheet Revision Numbers** - Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current sheet version on file with the Commission. For example, the 4th revised Sheet 14 cancels the 3rd revised Sheet 14. Consult the Check Sheet for the sheet currently in effect.
- C. Paragraph Numbering Sequence** - There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level:
 - 2.
 - 2.1.
 - 2.1.1.
 - 2.1.1.A.
 - 2.1.1.A.1.
 - 2.1.1.A.1.(a).
 - 2.1.1.A.1.(a).I.
 - 2.1.1.A.1.(a).I.(i).
 - 2.1.1.A.1.(a).I.(i).(1).
- D. Check Sheets** - When a tariff filing is made with the Ky.P.S.C., an updated Check Sheet accompanies the tariff filing. The Check Sheet lists the sheets contained in the tariff, with a cross reference to the current revision number. When new sheets are added, the Check Sheet is changed to reflect the revision. All revisions made in a given filing are designated by an asterisk (*). There will be no other symbols used on this sheet if these are the only changes made to it (i.e., the format, etc. remain the same, just revised revision levels on some sheets.)

PUBLIC SERVICE COMMISSION
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PURSUANT TO KYTAR 5011,
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BY: *Phillip Francis*
DIRECTOR/RATES & RESEARCH DIV.

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TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004

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TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004

SECTION 1 - DEFINITIONS

The following definitions are applicable to this tariff:

Access Line - An arrangement which connects the Customer's location to a TelSave Corporation switching center or point of presence.

Authorized User - A person, firm, corporation, or any other entity authorized by the Customer to communicate utilizing the Carrier's service.

Available Usage Balance - The amount of usage remaining in a Debit Account at any particular point in time. Each Debit Account begins with an initial usage amount which is depleted as services provided by the Company are utilized by the Customer.

Called Party - The person, individual, corporation, or other entity whose telephone number is called by the End User. For calls placed on an Collect Billing basis, the Called Party accepts responsibility for payment of the charges for use of Independent Network Services' services.

Collect Billing - A billing arrangement whereby the originating caller may bill the charges for a call to the called party, provided the called party agrees to accept the charges.

Commission - The Kentucky Public Service Commission.

Company or Carrier - TelSave Corporation d/b/a Independent Network Services unless otherwise clearly indicated by the context.

Customer - The person, firm, corporation or other entity which orders, cancels, amends or uses service and is responsible for payment of charges and compliance with the Company's tariff.

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BY: *[Signature]*
DIRECTOR, RATES & RESEARCH DIV.

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TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004

Section No. 1 Definitions, (cont'd.)

Debit Account - An account which consists of a pre-paid usage balance depleted on a real time basis during each Debit Service Call.

Debit Card - A card issued by the Company which provides the Customer with a Personal Account Code and instructions for accessing the Carrier's network.

Debit Service Call - A service accessed via a "1-800" or other access code dialing sequence whereby the Customer or Authorized User dials all of the digits necessary to route a call. Network usage for each call is deducted from the available usage balance on a Company-issued Debit Account.

End User - Any person, firm, corporation, partnership or other entity which uses the services of the Carrier under the provisions and regulations of this tariff. The End User is responsible for payment unless the charges for the services utilized are accepted and paid by another Customer.

Holidays - Holidays observed by the Carrier as specified in this tariff.

LATA - Local access and transport area. A geographic area established by the US District Court for the District of Columbia in Civil Action No. 17-49, within which a local exchange company provides communications services.

LEC - Local Exchange Company

Operator Dialed Surcharge - This charge applies to calls when the user dials "00" only or any valid company operator access code and requests that the operator dial the destination number.

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PURSUANT TO 207 KAR 5.011,
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BY Phillip J. Lewis
DIRECTOR OF RATES & RESEARCH DIV.

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TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004

Section No. 1 Definitions, (cont'd.)

Operator Station Call - A service whereby caller places a non-Person to Person call with the assistance of an operator (live or automated).

Person to Person Call - A service whereby the person originating the call specifies a particular person to be reached, or a particular station, room number, department, or office to be reached through a PBX attendant.

Personal Account Code - A pre-defined series of numbers to be dialed by the Customer or Authorized User upon access to the Carrier's network which identifies the Debit Account from which charges for service shall be debited and which validates the caller's authorization to use the services provided.

Premises - A building or buildings on contiguous property.

Renewal - A method of replenishing a Debit Account's Available Usage Balance with additional minutes of use as authorized and paid for by the Customer.

Third Party Billing - A billing arrangement by which the charges for a call may be billed to a telephone number that is different from the calling number and the called number.

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BY *Phillip Harris*
DIRECTOR, RATES & RESEARCH DIV.

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TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004

SECTION 2 - TERMS AND CONDITIONS

2.1 Undertaking of TSIN and Locations of Service

- 2.1.1** Independent Network Services is a resale common carrier providing intrastate communications long distance message toll telephone service to Customers for the transmission and reception of voice, data, and other types of communications.
- 2.1.2** The Company offers intrastate telecommunications service in conjunction with interstate service.
- 2.1.3** Long distance usage charges are based on the actual usage of Independent Network Services' network. Chargeable time begins when a connection is established between the calling station and the called station. Chargeable time ends when either party "hangs up" thereby releasing the network connection.
- 2.1.4** No charges apply to incomplete calls.

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TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004

SECTION 2 - TERMS AND CONDITIONS

2.2 Use of Service

2.2.1 Service may be used for any lawful purpose for which it is technically suited.

2.2.2 The Customer obtains no property right or interest in the use of any specific type of facility, service, equipment, number, process, or code. All right, title and interest to such items remain, at all times, solely with the Company or its underlying carrier, as appropriate.

2.2.3 Recording of telephone conversations transmitted over service provided by the Company under this tariff is prohibited except as authorized by applicable federal, state and local laws.

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DIRECTOR, RATES & RESEARCH DIV.

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TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004

SECTION 2 - TERMS AND CONDITIONS, (Cont'd.)

2.3 Limitations of Service

- 2.3.1 Service is offered subject to the availability of the necessary facilities and/or equipment and subject to the provisions of this tariff. The Company may decline applications for service to or from a location where the necessary facilities or equipment are not available. The Company may discontinue furnishing service in accordance with the terms of this tariff.
- 2.3.2 The Company reserves the right to discontinue or limit service when necessitated by conditions beyond its control (examples of these conditions are more fully set forth elsewhere in this tariff), or when service is used in violation of provisions of this tariff or the law.
- 2.3.3 The Company does not undertake to transmit messages, but offers the use of its service when available, and, as more fully set forth elsewhere in this tariff, shall not be liable for errors in transmission or for failure to establish connections.
- 2.3.4 The Company reserves the right to discontinue service, limit service, or to impose requirements as required to meet changing regulatory or statutory rules and standards, or when such rules and standards have an adverse material affect on the business or economic feasibility of providing service, as determined by the Company in its reasonable judgment.
- 2.3.5 Service is offered subject to restrictions imposed upon the Company by any authority having authority over the Company's provision of service.

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DIRECTOR, RATES & RESEARCH DIV.

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TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004

SECTION 2 - TERMS AND CONDITIONS, (Cont'd.)

2.4 Assignment or Transfer

The Customer may not transfer or assign the use of service offered by the Company without the express prior written consent of the Company. Such transfer or assignment shall only apply where there is no interruption of the use or location of service. All terms and conditions contained in this tariff shall apply to all such permitted transferees or assignees, as well as all conditions of service.

2.5 Liabilities of Company

2.5.1 The liability of the Company for damages of any nature arising from errors, mistakes, omissions, interruptions, or delays of the Company, its agents, servants, or employees, in the course of establishing, furnishing, rearranging, moving, terminating, or changing the service or facilities or equipment shall not exceed an amount equal to the charges applicable under this tariff (calculated on a proportionate basis where appropriate) to the period during which such error, mistake, omission, interruption or delay occurs.

2.5.2 In no event shall the Company be liable for any incidental, indirect, special, or consequential damages (including, but not limited to, lost revenue or profits) of any kind whatsoever regardless of the cause or foreseeability thereof.

2.5.3 When the services or facilities of other common carriers are used separately or in conjunction with the Company's facilities or equipment in establishing connection to points not reached by the Company's facilities or equipment, the Company shall not be liable for any act or omission of such other common carriers or their agents, servants or employees.

PUBLIC SERVICE COMMISSION
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BY: Chelle Harris
DIRECTOR/RATES & RESEARCH DIV.

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TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004

SECTION 2 - TERMS AND CONDITIONS, (Cont'd.)

2.5 Liabilities of Company, (cont'd.)

2.5.4 The Company shall not be liable for any failure of performance hereunder if such failure is due to any cause or causes beyond the reasonable control of the Company. Such causes shall include, without limitation, acts of God, fire, explosion, vandalism, cable cut, storm or other similar occurrence, any law, order, regulation, direction, action or request of the United States government or of any other government or of any civil or military authority, national emergencies, insurrections, riots, wars, strikes, lockouts or work stoppages or other labor difficulties, supplier failures, shortages, breaches or delays, or preemption of existing service to restore service in compliance with state and federal laws.

2.5.5 The Company shall not be liable for interruptions, delays, errors, or defects in transmission, or for any injury whatsoever, caused by the Customer, or the Customer's agents, servants, employees, or customers, or by facilities or equipment provided by the Customer.

PUBLIC SERVICE COMMISSION
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BY: *[Signature]*
DIRECTOR, WATER & RESEARCH DIV.

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TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004

SECTION 2 - TERMS AND CONDITIONS, (Cont'd.)

2.6 Liability of the Customer

The Customer shall indemnify, defend and hold harmless the Company (including the costs of litigation and reasonable attorney's fees) against:

- (i) Claims for libel, slander, infringement of copyright or unauthorized use of any trademark, trade name or service mark arising out of the material, data, information, or other content transmitted over the Company's facilities or equipment; and
- (ii) Claims for patent infringement arising from combining or connecting the Company's facilities or equipment with facilities, equipment, apparatus or systems of the Customer; and
- (iii) All other claims (including, without limitation, claims for damage to any business or property, or injury to, or death of, any person) arising out of any act or omission of the Customer, or the Customer's agents, servants, employees, or customers, in connection with any service or facilities or equipment provided by the Company.

2.7 Taxes and Fees

The Company shall charge the Customer an amount sufficient to recover any governmental assessments, fees, license, or other similar taxes or fees imposed upon the Company.

2.7.1 For Debit Service, taxes or fees shall be included in the rates and charges stated in the Company's rate schedule for this service.

2.7.2 For all other services offered by the Company, taxes and fees shall be added pro-rata, insofar as practical, to the rates and charges stated in the Company's rate schedules and listed as separate line items on the Customer's bill for services provided.

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DIRECTOR, RATES & RESEARCH

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TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004

SECTION 2 - TERMS AND CONDITIONS, (Cont'd.)**2.8 Terminal Equipment**

The Company's facilities and service may be used with or terminated in Customer-provided terminal equipment or Customer-provided communications systems, such as a telephone set, PBX or key system. Such terminal equipment shall be furnished and maintained at the expense of the Customer, except as otherwise provided. The Customer is responsible for all costs at his or her premises, including personnel, wiring, electrical power, and the like, incurred in the use of the Company's service. When such terminal equipment is used, the equipment shall comply with applicable rules and regulations of the Federal Communications Commission, including, but not limited to, Part 68. In addition, equipment must comply with generally accepted minimum protective criteria standards and engineering requirements of the telecommunications industry which are not barred by the Federal Communications Commission.

2.9 Installation

No installation at the Customer's Premises is required to use the Company's service. Service is initiated by request of the Customer. The Company may refuse to provision service when the Company cannot verify that the party requesting the Company's service is authorized to request or to change service.

PUBLIC SERVICE COMMISSION
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BY: Thylla Spencer
DIRECTOR, PLANS & RESEARCH DIV.

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TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004

SECTION 2 - TERMS AND CONDITIONS, (Cont'd.)

2.10 Payment for Service

2.10.1 Service is provided and billed on a monthly basis. Bills are due and payable upon receipt. A late fee of 1.5% per month (or the maximum amount allowed by law, whichever is lower) applies to any unpaid and past due balance. The late fee begins to accrue on the 30th day after the billing date. All late charge provisions will be implemented in compliance with Commission rules and regulations pertaining to the application of late fees.

2.10.2 The Customer is responsible for payment of all charges for service furnished to or used by the Customer, or the Customer's agents, servants, employees or customers. The Customer is also responsible for payment of charges for a third person's use of service to which the Customer subscribes. All charges due from the Customer are payable to the Company or to the Company's authorized billing agent. Any objections to billed charges must be reported to the Company or its billing agent within thirty days after receipt of the bill. If objection in writing is not received by the Company within the applicable statute of limitations after the bill is rendered, the Account shall be deemed correct and binding upon the Subscriber.

2.10.3 The security of the Customer's Authorization Codes is the responsibility of the Customer. All calls placed using such Authorization Codes shall be billed to and shall be the obligation of the Customer. The Customer shall not be responsible for charges in connection with the unauthorized use of Authorization Codes arising after the Customer notifies the Company of the loss, theft, or other breach of security of such Authorization Codes.

2.10.4 The Company reserves the right to assess a charge not to exceed the maximum amount determined by applicable state law whenever a check or draft presented for payment of service is not accepted by the institution upon which it is written.

PUBLIC SERVICE COMMISSION
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BY: [Signature]
DIRECTOR OF PUBLIC UTILITIES

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TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004

SECTION 2 - TERMS AND CONDITIONS, (Cont'd.)

2.10 Payment for Service, (cont'd.)

2.10.5 The Customer shall be responsible for all calls placed by or through Customer's equipment by any person. In particular and without limitation to the foregoing, the Customer is responsible for any calls placed by or through the Customer's equipment via any remote access features. The Customer is responsible for all calls placed via their Authorization Code, whether such use is as a result of the Customer's intentional or negligent disclosure of the Authorization Code or otherwise.

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TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004

SECTION 2 - TERMS AND CONDITIONS, (Cont'd.)

2.11 Deposits

The Company does not require deposits for Kentucky services.

2.12 Advance Payments

The Company does not require advance payment for Kentucky services.

PUBLIC SERVICE COMMISSION
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TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004

SECTION 2 - TERMS AND CONDITIONS, (Cont'd.)

2.13 Interruption of Service

Credit allowances for interruptions of service which are not due to the Company's testing or adjusting, to the negligence or other wrongful act or omission of the Customer, or to the failure of channels, equipment and/or communications systems provided by the Customer, are subject to the general liability provisions set forth in this tariff. It shall be the obligation of the Customer to notify the Company immediately of any interruption in service for which a credit allowance is desired by the Customer. Before giving such notice, the Customer shall ascertain that the trouble is not within his or her control, or is not in wiring or equipment, if any, furnished by the Customer. Interruptions caused by Customer-provided, or Company-provided automatic dialing equipment are not deemed an interruption of service as defined herein since the Customer has the option of using the long distance network via LEC access. For purposes of credit computation, every month shall be considered to have 30 days. For services with a monthly recurring charge, no credit shall be allowed for an interruption of continuous duration of less than twenty-four hours. For message rated toll services, credits will be limited to, at maximum, the price of the initial period of the individual call that was interrupted.

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DIRECTOR (RATES & RESEARCH DIV.)

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TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004

SECTION 2 - TERMS AND CONDITIONS, (Cont'd.)

2.14 Cancellation and Restoration of Service

Service continues to be provided until canceled by the Customer or until canceled by the Company as set forth below. The Company may render bills subsequent to the termination of service for charges incurred before termination. The Customer shall pay such bills in full in accordance with the payment terms of this tariff.

2.14.1 Service may be suspended by the Company, without notice to the Customer, by blocking traffic to certain cities or NXX exchanges, or by blocking calls using certain Customer Travel Cards when the Company deems it necessary to take such action to prevent unlawful use of its service. TSIN will restore services as soon as it can be provided without undue risk, and will upon request by the Customer, assign new Travel Card codes to replace ones that have been deactivated.

2.14.2 Cancellation by the Customer

The Customer may have service discontinued upon written or verbal notice to the Company. The Customer shall pay the Company for service furnished until the cancellation date specified by the Customer or until the date that the written cancellation notice is received, whichever is later.

2.14.3 Refusal, Suspension or Cancellation by the Company

- A. For nonpayment: The Company, by written notice to the Customer and in accordance with applicable law, may discontinue service or cancel an application for service without incurring any liability when there is an unpaid balance for service that is more than 30 days overdue.
- B. For returned checks: The Customer whose check or draft is returned unpaid for any reason, after two attempts at collection, and if the bill is more than 30 days past due, shall be subject to discontinuance of service in the same manner as provided for nonpayment of overdue charges.

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TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004

BY: [Signature]
DIRECTOR, RATES & RESEARCH DIV

SECTION 2 - TERMS AND CONDITIONS, (Cont'd.)

2.14 Cancellation and Restoration of Service, (cont'd.)

2.14.3 Refusal, Suspension or Cancellation by the Company, (cont'd.)

- C. For lack of use: The Company, by written notice to the Customer, may discontinue service in the same manner as provided for nonpayment of overdue charges if after reasonable inquiry, and reasonable attempt to contact the Customer, the Company determines that the service has been abandoned.
- D. For unauthorized or unlawful use of service: Except as provided elsewhere in this tariff, the Customer shall be subject to discontinuance of service, without notice, for any unauthorized or unlawful use of the Company's service.
- E. For the Company to comply with any order or request of any governmental authority having jurisdiction: The Customer shall be subject to discontinuance of service, without notice, in order to permit the Company to comply with any order or request of any governmental authority having jurisdiction.
- F. For unauthorized or unlawful use of Travel Card numbers and Authorization Codes: Travel Card Numbers and Authorization Codes are issued by the Company only to the Customer and may not be sold or otherwise distributed without the written consent of the Company. Any unauthorized or unlawful use of such numbers or Authorization Codes shall result in the immediate refusal, suspension or cancellation of service without notice.

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SECTION 0 (1)

BY *Todd J. West*
DIRECTOR, RATES & RESEARCH DIV.

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TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004

SECTION 2 - TERMS AND CONDITIONS, (Cont'd.)

2.14 Cancellation and Restoration of Service, (cont'd.)

2.14.4 Notice of Discontinuance

TSIN may refuse or discontinue service under the following conditions provided that, unless otherwise stated in this tariff, the Customer shall be given reasonable notice, to comply with any rule or remedy any deficiency:

- A. For nonpayment: The Company, by written notice to the Customer and in accordance with applicable law, may discontinue service or cancel an application for service without incurring any liability when there is an unpaid balance for service that is more than 30 days overdue. Suspension or termination of service shall not be made without five (5) days written notice to the Customer, except in cases of extreme risk involving excessive or abnormal use of toll service, in which case service may be denied two days after written notice is given to the Customer unless satisfactory arrangements for payment are made. Such notice will be provided in a mailing separate from the Customer's regular monthly bill for service. Service will be terminated only on Monday through Thursday between the hours of 8:00 AM and 4:00 PM, unless provisions have been made to have someone available to accept payment and reconnect service.
- B. For returned checks: The Customer whose check or draft is returned for unpaid for any reason, after two attempts at collection, and if the bill is more than 30 days past due, shall be subject to discontinuance of service in the same manner as provided for nonpayment of overdue charges.
- C. For lack of use: The Company, by written notice to the Customer, may discontinue service in the same manner as provided for nonpayment of overdue charges if after reasonable inquiry, and reasonable attempt to contact the Customer, the Company determines that the service has been abandoned.

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TelSave Corporation d/b/a Independent Network Services
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BY: *[Signature]*
DIRECTOR/RATES & RESEARCH DIV.

SECTION 2 - TERMS AND CONDITIONS, (Cont'd.)

2.14 Cancellation and Restoration of Service, (cont'd.)

2.14.4 Notice of Discontinuance (cont'd.)

- D. For unauthorized or unlawful use of service: Except as provided elsewhere in this tariff, the Customer shall be subject to discontinuance of service, without notice, for any unauthorized or unlawful use of the Company's service.
- E. For the Company to comply with any order or request of any governmental authority having jurisdiction: The Customer shall be subject to discontinuance of service, without notice, in order to permit the Company to comply with any order or request of any governmental authority having jurisdiction.
- F. For use of telephone service for any purpose other than that described in the application.
- G. For neglect or refusal to provide reasonable access to TSIN or its agents for the purpose of inspection and maintenance of equipment owned by TSIN or its agents.

2.14.5 Restoration of Service

If service has been discontinued for nonpayment or as otherwise provided herein and the Customer wishes it continued, service shall, at the Company's discretion, be restored when all past due amounts are paid or the event giving rise to the discontinuance (if other than nonpayment) is corrected.

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DIRECTOR (RATES & RESEARCH)

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TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004

SECTION 2 - TERMS AND CONDITIONS, (Cont'd.)

2.15 Application for Service

The Company reserves the right to require Customers to make application(s) for service in writing using forms provided by the Company. Upon acceptance of an application for service by the Company, all applicable provisions in the Company's tariffs, as amended from time-to-time which are lawfully on file, become the agreement for service between the Company and the Customer. Requests for additional service and changes to service, upon acceptance by the Company, become a part of the agreement for service, provided that each item of additional service shall be subject to the applicable minimum term of service. Acceptance or use of service offered by the Company shall be deemed an application for such service and an agreement by the Customer to subscribe to, use, and pay for such service in accordance with the applicable tariffs of the Company, as amended from time to time, which are lawfully on file. Any change in rates or other tariff provisions which are lawfully made shall be deemed to modify all agreements for service affected by such changes without further notice by Company to the Customer.

2.16 Interconnection

2.16.1 Service furnished by the Company may be interconnected with services or facilities of other authorized communications common carriers and with private systems, subject to technical limitations established by the Company. Service furnished by the Company is not part of a joint undertaking with such other common carriers or systems. The Company does not undertake to provide any special facilities, equipment, or services to enable the Customer to interconnect the facilities or the equipment of the Company with services or facilities of other common carriers or with private systems.

2.16.2 Interconnection with the services or facilities of other common carriers shall be under the applicable terms and conditions of this tariff and the other common carrier's tariffs.

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BY: *Shylla Harris*

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Issued By: Todd J. West, Executive Vice President
TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004

SECTION 2 - TERMS AND CONDITIONS, (Cont'd.)

2.16 Interconnection, (cont'd.)

2.16.3 The Customer shall ensure that the facilities or equipment provided by the Customer are properly interconnected with the facilities or equipment of the Company. If the Customer maintains or operates the interconnected facilities or equipment in a manner which results or may result in harm to the Company's facilities, equipment, personnel, or the quality of service, the Company may, upon written notice, require the use of protective equipment at the Customer's expense. If this written notice fails to eliminate the actual or potential harm, the Company may, upon written notice, terminate the existing service of the Customer pursuant to Section 2.14 of this tariff.

2.17 Inspection, Testing and Adjustment

Upon reasonable notice, the facilities provided by the Company shall be made available to the Company for such tests and adjustments as may be deemed necessary for maintenance in a condition satisfactory to the Company. No interruption allowance will be granted for the time during which such tests and adjustments are made.

2.18 Reservation of Toll Free "800/888" Numbers

The Company will make every effort to reserve Toll Free "800/888" vanity numbers for customers, but makes no guarantee or warranty that the requested number(s) will be available.

2.19 Portability of Toll Free "800/888" Numbers

The Company will participate in porting Toll Free "800/888" numbers only if the account balance is zero and all charges incurred as a result of the Toll Free "800/888" number have been paid.

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TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004

SECTION 2 - TERMS AND CONDITIONS, (Cont'd.)**2.20 Local Charges and Cellular Air Time Charges**

In certain instances, the Customer may be subject to local exchange company charges or message unit charges or to cellular company air time charges to access the Company's network or to terminate intrastate calls. The Company shall not be responsible for any such local charges incurred by the Customer in gaining access to the Company's network.

2.21 Tests, Pilots, Promotional Campaigns and Contests

The Company may conduct special tests, pilot programs, waivers and promotions to demonstrate the ease of use, quality of service and to promote the sale of its services.

2.22 Marketing

As a telephone utility under the regulation of the Public Service Commission of Kentucky, [the Company does] hereby assert and affirm that as a reseller of intrastate telecommunications service, [the Company] will not indulge or participate in deceptive or misleading telecommunications marketing practices to the detriment of consumers in Kentucky, and [the Company] will comply with those marketing procedures, if any, set forth by the Public Service Commission. Additionally, [the Company] will be responsible for the marketing practices of [its] contracted telemarketers for compliance with this provision. [The Company understands] that violation of this provision could result in a rule to Show Cause as to the withdrawal of [its] certification to complete intrastate telecommunications traffic within the state of Kentucky.

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BY *Thelma Hester*
DIRECTOR, RATES & RESEARCH DIV.

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TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004

SECTION 2 - TERMS AND CONDITIONS, (Cont'd.)

2.23 Other Rules

2.23.1 TSIN reserves the right to validate the credit worthiness of Customers through available verification procedures to establish an acceptable billing method in order to place a call.

2.23.2 The Company reserves the right to limit service or to impose requirements on Customers as required to meet changing regulations, rules or standards of the Commission.

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BY: *Chelle Harris*
DIRECTOR, RATES & RESEARCH DIV.

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Issued By: Todd J. West, Executive Vice President
TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004

SECTION 3 - DESCRIPTION OF SERVICE AND RATES

3.1 General

The Company provides intrastate, interexchange switched and dedicated telecommunications services between locations in Kentucky. The Company's service includes direct-dialed calling with charges based upon call duration, mileage, and/or total volume.

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BY: *Todd J. West*
DIRECTOR, RATES & RESEARCH DIV.

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Issued By: Todd J. West, Executive Vice President
TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004

SECTION 3 - DESCRIPTION OF SERVICE AND RATES, (Cont'd.)

3.2 Calculation of Distance

Usage charges for all mileage sensitive services vary based on the type of service subscribed to by the Customer. For services utilizing switched access, mileage measurements for rate schedules are based on the airline distance between the rate center locations associated with the originating and terminating stations. For services utilizing dedicated access, mileage measurements for rate schedules are based on the distance in airline miles between the TSIN network access point associated with the station utilizing Dedicated Access Origination/Termination and the rate center associated with the called/calling station.

The distance between the originating and terminating points is calculated by using the "V" and "H" coordinates of the applicable rate centers as defined by BellCore (Bell Communications Research) and on file with the FCC in AT&T FCC Tariff No. 10, in the following manner:

- Step 1: Obtain the "V" and "H" coordinates for the serving wire center or network access point serving the Customer's location and the called/calling station.
- Step 2: Obtain the difference between the "V" coordinates. Obtain the difference between the "H" coordinates.
- Step 3: Square the differences obtained in Step 2.
- Step 4: Add the squares of the "V" difference and "H" difference obtained in Step 3.
- Step 5: Divide the sum of the square obtained in Step 4 by ten (10). Round to the next higher whole number if any fraction results from the division.
- Step 6: Obtain the square root of the whole number obtained in Step 5. Round to the next higher whole number if any fraction is obtained. This is the distance between the originating and terminating rate centers of the call.

Formula:

$$\sqrt{\frac{(V_1 - V_2)^2 + (H_1 - H_2)^2}{10}}$$

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BY: Thylla Harris
DIRECTOR, RATES & RESEARCH DIV.

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TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004

SECTION 3 - DESCRIPTION OF SERVICE AND RATES, (Cont'd.)

3.3 Timing of Calls

Billing for calls placed over the network is based in part on the duration of the call.

3.3.1 Long distance usage charges are based on the actual usage of the company's network. Chargeable time begins when the calling and the called station are connected.

3.3.2 Chargeable time ends when the calling service point terminates, thereby releasing the network connection.

3.3.3 Unless otherwise specified in this tariff, the minimum call duration for billing purposes is one (1) minute.

3.3.4 Unless otherwise specified in this tariff, usage is measured and rounded in one (1) minute increments for billing purposes.

3.3.5 No charges apply to unanswered calls.

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BY *Lydia Shaw's*
DIRECTOR/RATES & RESEARCH DIV.

Issued: October 2, 1996

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Issued By: Todd J. West, Executive Vice President
TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004

SECTION 3 - DESCRIPTION OF SERVICE AND RATES, (Cont'd.)**3.4 Time-Of-Day Rate Periods**

Unless otherwise specified in the product description in this tariff, the following time-of-day and day-of-week rate periods are applicable to all calls. Evening rates shall apply to all calls placed on the Company's recognized Holidays except when a lower rate would normally apply.

DAY RATE PERIOD	Monday through Friday, 8:00 AM to 5:00* PM
EVENING RATE PERIOD	Sunday through Friday, 5:00 PM to 11:00* PM
NIGHT/WEEKEND RATE PERIOD	All days, 11:00 PM to 8:00 AM* Saturday 8:00 AM to Sunday 5:00 PM*

* to, but not including

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BY: *Thylla Lewis*
DIRECTOR, RATES & RESEARCH DIV.

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TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004

SECTION 3 - DESCRIPTION OF SERVICE AND RATES, (Cont'd.)**3.4 Time-Of-Day Rate Periods, (cont'd.)****Holiday Rates**

The non-day rate applies to the following holidays unless a lower rate would normally apply.

New Year's Day	-	January 1
Martin Luther King Day	-	As nationally observed
Washington's Birthday	-	As nationally observed
Independence Day	-	July 4
Labor Day	-	As nationally observed
Thanksgiving Day	-	As nationally observed
Christmas Day	-	December 25

Night/Weekend Rate Period rates will apply to all calls made from 8:00 AM to, but not including, 11:00 PM on Company-recognized holidays.

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BY: Shelli Thomas
DIRECTOR/RATES & RESEARCH DIV.

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TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004

SECTION 3 - DESCRIPTION OF SERVICE AND RATES, (Cont'd.)**3.5 Schedule 1: Prime Time****3.5.1 General Description**

Prime Time is a switched access service offering inter- and intraLATA outbound calling using 1+ dialing from equal access end offices. Calls are billed in six (6) second increments after an initial minimum call duration of eighteen (18) seconds. Intrastate service is offered in conjunction with interstate service and intrastate usage is combined with interstate usage for calculation of interstate discounts and waivers. Company-issued calling cards are provided to subscribers. Customers who pay all current charges prior to due date of the bill shall be credited a total of 2% of the payment on their next month's bill. Plan S12 is offered to Customers with no minimum usage commitment. Plan S24 is offered to Customers who commit to a minimum monthly usage of \$1,000 per month.

3.5.2 Rates

	<u>Plan S12</u>	<u>Plan S14</u>
InterLATA, per minute	\$0.1300	\$0.1150
IntraState, per minute	\$0.1800	\$0.1650
Calling Card, per minute	\$0.2500	\$0.2500
Calling Card, per call	\$0.2500	\$0.2500

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BY *Lydia Lewis*
DIRECTOR/RATES & RESEARCH DEPT.

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TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
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SECTION 3 - DESCRIPTION OF SERVICE AND RATES, (Cont'd.)

3.6 Schedule 2: Prime Time 800

3.6.1 General Description

Prime Time 800 is an inbound calling service in which the charges for the call are billed to the Customer rather than the originating party. Calls terminate on the Customer's standard switched service line(s). Calls are billed in six (6) second increments after an initial minimum call duration of thirty (30) seconds. Intrastate service is offered in conjunction with interstate service and intrastate usage is combined with interstate usage for calculation of interstate discounts and waivers. Plan S12 is offered to Customers with no minimum usage commitment. Plan S24 is offered to Customers who commit to a minimum monthly usage of \$1,000 per month.

A monthly service charge applies per toll-free number assigned to the Customer.

3.6.2 Rates

	<u>Plan S12</u>	<u>Plan S24</u>
IntraState, per minute	\$0.2150	\$0.2000
Monthly Fee	\$10.00	\$10.00
Calling Card, per call	\$0.2500	\$0.2500

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BY: *Thylla Shinn*
DIRECTOR, RATES & RESEARCH DIV.

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TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004

SECTION 3 - DESCRIPTION OF SERVICE AND RATES, (Cont'd.)**3.7 Schedule 3: Prime T1****3.7.1 General Description**

Prime T1 dedicated access service offering inter- and intraLATA outbound calling using 1 + dialing from Customer-provided dedicated access lines. Calls are billed in six (6) second increments after an initial minimum call duration of eighteen (18) seconds. Intrastate service is offered in conjunction with interstate service and intrastate usage is combined with interstate usage for calculation of interstate discounts and waivers. Company-issued calling cards are provided to subscribers. Customers who pay all current charges prior to due date of the bill shall be credited a total of 2% of the payment on their next month's bill. Plan D12 is offered to Customers with no minimum usage commitment. Plan D24 is offered to Customers who commit to a minimum monthly usage of \$2,500 per month.

3.7.2 Rates

	<u>Plan D12</u>	<u>Plan D24</u>
InterLATA, per minute	\$0.0950	\$0.0900
IntraLATA, per minute	\$0.1100	\$0.1050
Calling Card, per minute	\$0.2500	\$0.2500
Calling Card, per call	\$0.2500	\$0.2500

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BY: *Thelma Lewis*
DIRECTOR, RATES & RESEARCH DIV.

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Issued By: Todd J. West, Executive Vice President
TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
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SECTION 3 - DESCRIPTION OF SERVICE AND RATES, (Cont'd.)**3.8 Schedule 2: Prime T1 800****3.8.1 General Description**

Prime Time T1 800 is an inbound calling service in which the charges for the call are billed to the Customer rather than the originating party. Calls terminate on Customer-provided dedicated access service line(s). Calls are billed in six (6) second increments after an initial minimum call duration of thirty (30) seconds. Intrastate service is offered in conjunction with interstate service and intrastate usage is combined with interstate usage for calculation of interstate discounts and waivers. Plan D12 is offered to Customers with no minimum usage commitment. Plan D24 is offered to Customers who commit to a minimum monthly usage of \$3,000 per month.

A monthly service charge applies per toll-free number assigned to the Customer.

3.8.2 Rates

	<u>Plan D12</u>	<u>Plan D24</u>
IntraState, per minute	\$0.1100	\$0.1050
Monthly Fee	\$10.00	\$10.00

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BY: *Phyllis Lewis*
DIRECTOR/RATES & RESEARCH DIV.

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Issued By: Todd J. West, Executive Vice President
TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004

SECTION 3 - DESCRIPTION OF SERVICE AND RATES, (Cont'd.)**3.9 Schedule 3: Debit Card Service****3.9.1 General Description**

Debit Card Service allows Customers to place direct dialed calls between locations within the State of Kentucky. Customers access the Independent Network Services' network by dialing an 800 number or other access dialing sequence and entering a Personal Account Code. The Company's system informs the Customer of the Available Usage Balance remaining in his/her Debit Account and prompts the Customer to place a call by entering a destination telephone number. Network usage for calls placed is deducted from the Available Usage Balance in the Customer's account on a real time basis as the call progresses. Customers purchase a Debit Card which assigns each Customer a Debit Account, provides each Customer with a Personal Account Code and lists instructions for accessing and using Carrier's service. Debit Cards are available in varying denominations.

Purchase of a Debit Card entitles the Customer to use the Card Express network for a number of minutes equivalent to the card denomination divided by the effective per minute rate. The Customer's right to utilize network usage within a given Debit Account expires one year after issuance and activation of the Debit Card associated with that Debit Account number. No minimum service period applies. Payment for Debit Card Services and any Available Usage in a Customer's Debit Account is non-refundable. Any unused balances will be applied toward renewal value of the card account.

Debit Card service rates are not distance or time of day sensitive. Holiday discounts do not apply. Network usage for Debit Card Calls is deducted from the Available Usage Balance in Customer's Debit Account in full minute increments. For debiting purposes, the minimum call usage is one (1) minute; one domestic minute is equal to one unit.

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TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004

SECTION 3 - DESCRIPTION OF SERVICE AND RATES, (Cont'd.)

3.9 Schedule 3: Debit Card Service (cont'd)

3.9.2 Rates

<u>Face Value of Card(s)</u>	<u>Rate Per Minute</u>
30 Units	\$0.333
90 Units	\$0.277
180 Units	\$0.222
480 Units	\$0.208

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BY *Thelma Thomas*
DIRECTOR, RATES & RESEARCH DIV.

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TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004

SECTION 4: MISCELLANEOUS SERVICES

4.1 Directory Assistance

A Directory Assistance charge of \$0.46 per call applies to all intrastate calls made from points within the State of Kentucky.

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BY *Allyson Lewis*
DIRECTOR, RATES & RESEARCH DIV.

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TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004

SECTION 4: MISCELLANEOUS SERVICES, (Cont'd.)

4.2 Operator Services

Operator Services allow Subscribers to place specified types of Subscriber-dialed and operator-assisted calls via local telephone access lines or via dedicated facilities.

The appropriate surcharge will be assessed on a per call basis. For calls made using a telephone company card or a commercial credit card, acceptance of the card will be dependent upon the Carrier's ability to verify the card as valid. Only those cards accepted by the Carrier may be used for Operator Services.

4.2.1 Types of Calls

The following per-call charges apply in addition to the per minute usage rates when applicable. These charges apply in all rate periods.

Service Charge Per Call

<u>Customer Dialed Calling Card Station</u>	
Customer Dialed/Automated	\$0.53
Customer Dialed and Operator Assisted	0.53
Customer Dialed - Operator Must Assist	0.53
 <u>Operator Dialed Calling Card Station</u>	 \$1.05
 <u>Operator Station</u>	 \$1.05
Collect	1.05
Third Party Billed	1.05
 <u>Person-to-Person</u>	 \$3.15
 <u>Operator Dialed (00-) Surcharge</u>	 \$1.00
 <u>Maximum Hotel Location Surcharge (Optional)</u>	 \$1.00
 <u>Maximum LEC Pay Telephone Surcharge (Optional)</u>	 10%

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TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
Phoenix, Arizona 85004

SECTION 4: MISCELLANEOUS SERVICES, (Cont'd.)**4.2 Operator Services, (cont'd.)****4.2.2 Per Minute Usage Charges****Customer Dialed Calling Card:****InterLATA**

Mileage	Day		Evening		Night/Weekend	
	1st Minute	Addl. Minute	1st Minute	Addl. Minute	1st Minute	Addl. Minute
0-20	\$.1300	\$.0800	\$.1034	\$.0673	\$.0776	\$.0505
21-40	.1600	.1100	.1290	.0873	.1086	.0786
41-70	.1600	.1200	.1382	.0942	.1138	.0790
71-100	.1700	.1400	.1474	.1080	.1189	.0879
101-150	.1700	.1400	.1566	.1080	.1344	.0879
151-330	.1700	.1500	.1658	.1181	.1344	.0982
300 +	.1800	.1500	.1750	.1285	.1551	.1034

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SECTION 0 (1)BY: *[Signature]*
DIRECTOR, RATES & RESEARCH DIV.

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TelSave Corporation d/b/a Independent Network Services
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SECTION 4 - MISCELLANEOUS SERVICES, (Cont'd.)

4.2 Operator Services, (cont'd.)

4.2.2 Per Minute Usage Charges, (cont'd.)

Operator Dialed Calling Card Station:

InterLATA

Mileage	Day		Evening		Night/Weekend	
	1st Minute	Addl. Minute	1st Minute	Addl. Minute	1st Minute	Addl. Minute
1-20	\$.1300	\$.0800	\$.1034	\$.0673	\$.0776	\$.0505
21-40	.1600	.1100	.1290	.0873	.1086	.0786
41-70	.1600	.1200	.1382	.0942	.1138	.0790
71-100	.1700	.1400	.1474	.1080	.1189	.0879
101-150	.1700	.1400	.1566	.1080	.1344	.0879
151-330	.1700	.1500	.1658	.1181	.1344	.0982
300 +	.1800	.1500	.1750	.1285	.1551	.1034

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SECTION 9 (1)

BY: *Shylla Lewis*
DIRECTOR, RATES & RESEARCH DIV.

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TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
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SECTION 4 - MISCELLANEOUS SERVICES, (Cont'd.)**4.2 Operator Services, (cont'd.)****4.2.2 Per Minute Usage Charges, (cont'd.)****Operator Dialed Calling Card Station (cont'd.):****IntraLATA**

Mileage	Day		Evening		Night/Weekend	
	1st Minute	Addl. Minute	1st Minute	Addl. Minute	1st Minute	Addl. Minute
0-16	\$.1300	\$.0800	\$.1034	\$.0673	\$.0776	\$.0505
17-20	.1300	.0800	.1034	.0673	.0076	.0505
21-25	.1600	.1100	.1290	.0873	.1086	.0786
26-30	.1600	.1100	.1290	.0873	.1086	.0786
31-40	.1600	.1100	.1290	.0873	.1086	.0786
41-50	.1600	.1200	.1382	.0942	.1138	.0790
51-70	.1600	.1200	.1382	.0942	.1138	.0790
70 +	.1700	.1400	.1474	.1080	.1138	.0879

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PURSUANT TO 207 KAR 6.011,
SECTION 10 (1)BY *Phillip ...*
DIRECTOR/RATES & RESEARCH DIV.

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SECTION 4: MISCELLANEOUS SERVICES, (Cont'd.)**4.2 Operator Services, (cont'd.)****4.2.2 Per Minute Usage Charges, (cont'd.)****Operator Station:****InterLATA**

Mileage	Day		Evening		Night/Weekend	
	1st Minute	Addl. Minute	1st Minute	Addl. Minute	1st Minute	Addl. Minute
1-20	\$.1300	\$.0800	\$.1034	\$.0673	\$.0776	\$.0505
21-40	.1600	.1100	.1290	.0873	.1086	.0786
41-70	.1600	.1200	.1382	.0942	.1138	.0790
71-100	.1700	.1400	.1474	.1080	.1189	.0879
101-150	.1700	.1400	.1566	.1080	.1344	.0879
151-330	.1700	.1500	.1658	.1181	.1344	.0982
300 +	.1800	.1500	.1750	.1285	.1551	.1034

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DIRECTOR, RATES & RESEARCH DIV.

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TelSave Corporation d/b/a Independent Network Services
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SECTION 4: MISCELLANEOUS SERVICES, (Cont'd.)**4.2 Operator Services, (cont'd.)****4.2.2 Per Minute Usage Charges, (cont'd.)****Operator Station (cont'd):****IntraLATA**

Mileage	Day		Evening		Night/Weekend	
	1st Minute	Addl. Minute	1st Minute	Addl. Minute	1st Minute	Addl. Minute
0-16	\$.1300	\$.0800	\$.1034	\$.0673	\$.0776	\$.0505
17-20	.1300	.0800	.1034	.0673	.0776	.0505
21-25	.1600	.1100	.1290	.0873	.1086	.0786
26-30	.1600	.1100	.1290	.0873	.1086	.0786
31-40	.1600	.1100	.1290	.0873	.1086	.0786
41-50	.1600	.1200	.1382	.0972	.1138	.0790
51-70	.1600	.1200	.1382	.0942	.1138	.0790
70 +	.1700	.1400	.1474	.1080	.1138	.0879

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SECTION 4: MISCELLANEOUS SERVICES, (Cont'd.)

4.2 Operator Services, (cont'd.)

4.2.2 Per Minute Usage Charges, (cont'd.)

Person to Person:

InterLATA

Mileage	Day		Evening		Night/Weekend	
	1st Minute	Addl. Minute	1st Minute	Addl. Minute	1st Minute	Addl. Minute
1-20	\$.1300	\$.0800	\$.1034	\$.0673	\$.0776	\$.0505
21-40	.1600	.1100	.1290	.0873	.1086	.0786
41-70	.1600	.1200	.1382	.0942	.1138	.0790
71-100	.1700	.1400	.1474	.1080	.1189	.0879
101-150	.1700	.1400	.1566	.1080	.1344	.0879
151-330	.1700	.1500	.1658	.1181	.1344	.0982
300 +	.1800	.1500	.1750	.1285	.1551	.1034

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SECTION 0 (1)BY *[Signature]*
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TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
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SECTION 4: MISCELLANEOUS SERVICES, (Cont'd.)**4.2 Operator Services, (cont'd.)****4.2.2 Per Minute Usage Charges, (cont'd.)****Person to Person (cont'd):****IntraLATA**

Mileage	Day		Evening		Night/Weekend	
	1st Minute	Addl. Minute	1st Minute	Addl. Minute	1st Minute	Addl. Minute
0-16	\$.1300	\$.0800	\$.1034	\$.0673	\$.0776	\$.0505
17-20	.1300	.0800	.1034	.0673	.0776	.0505
21-25	.1600	.1100	.1290	.0873	.1086	.0789
26-30	.1600	.1100	.1290	.0873	.1086	.0786
31-40	.1600	.1100	.1290	.0873	.1086	.0786
41-50	.1600	.1200	.1382	.0942	.1138	.0790
51-70	.1600	.1200	.1382	.0942	.1138	.0790
70 +	.1700	.1400	.1474	.1080	.1138	.0879

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PURSUANT TO CUB KAR 6.011,
SECTION 10 (1)BY Phyllis Garcia
DIRECTOR, RATES & RESEARCH DIV.

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2600 North Central Avenue, Suite 1750
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SECTION 5 - PROMOTIONS

5.1 Promotions - General

From time to time, the Carrier may provide promotional offerings to introduce a current or potential Subscriber to a service not being used by the Subscriber. These offerings may be limited to certain dates, times or locations and may waive or reduce recurring or nonrecurring charges.

5.2 Competitive Response Promotion

In order to acquire or retain customers, the Carrier will match certain offers made by other interexchange carriers/resellers where the customer can demonstrate to the Carrier's satisfaction that it intends to accept such offer as an inducement to subscribe to or remain subscribed to such other interexchange carrier's/resellers services.

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PURSUANT TO 807 KAR 5.011,
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BY: *Thelma Lewis*
DIRECTOR OF RATES & RESEARCH DIV.

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TelSave Corporation d/b/a Independent Network Services
2600 North Central Avenue, Suite 1750
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